



TELECOMMUNICATIONS
ASSOCIATION OF MICHIGAN

March 21, 2007

The Honorable Paul Condino
Chairman, House Judiciary Committee
PO Box 30014
Lansing, MI 48909

Dear Chairman Condino:

The Telecommunications Association of Michigan opposes House Bill 4217 because it will impose overlapping and potentially inconsistent requirements on an industry that is already regulated at both the state and federal levels.

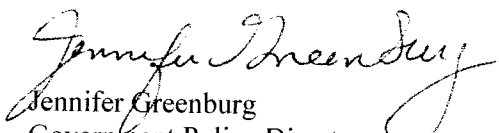
Today, there is an exemption for regulated companies in the Michigan Consumer Protection Act. Put simply, companies that are subject to regulations must comply with a wide variety of requirements concerning the pricing of their services and the terms under which they are offered. If found to be in violation of those rules, the companies are subject to the penalties provided for in the underlying act(s).

Because of this, all industries subject to regulation have been exempt from consumer protection laws for those services and activities that are regulated. If those companies are also offering unregulated services, they are subject to consumer protection laws for those services. There is no gap between regulations and consumer protection laws. Services and activities are either regulated or they are subject to the same legal requirements that apply to other businesses.

If HB 4217 were to be enacted, it would increase the cost of providing telecommunications services in Michigan as companies try to figure out how to apply conflicting rules. They would also need to set aside additional funds to defend themselves from lawsuits under the Consumer Protection Act for engaging in activities that are allowed or required under the state's regulatory system.

For these reasons, we oppose HB 4217. Please contact me if you have any questions regarding our position.

Sincerely,


Jennifer Greenburg
Government Policy Director